

Arkansas Insurance Department

Mike Beebe
Governor



Julie Benafield Bowman
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NEWS RELEASE

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Commissioner Announces Multi-state Settlement with United Healthcare

LITTLE ROCK, ARKANSAS (September 13, 2007) —State Insurance Commissioner Julie Benafield Bowman today announced the details of a regulatory settlement agreement between United Healthcare Insurance and 36 states and the District of Columbia over alleged violations of state law involving claims-payment services. Arkansas, Connecticut, Florida, Iowa, and New York led the negotiations for the settlement. Claims handling and other state administrative practices of United Healthcare were reviewed through a series of state-led market conduct examinations.

“I am extremely excited to see this settlement come to fruition,” said Bowman. “It shows what the states can do working together in a collaborative effort to protect consumers and maintain a strong regulatory system.”

United Healthcare has agreed to pay an assessment of up to \$20 million to the states joining with Arkansas in the settlement. Arkansas stands to receive over \$224,000. In addition, United Healthcare has agreed to implement a detailed three-year process-improvement plan in regard to their claims-payment system, including quarterly reviews and yearly benchmarks. In the event United Healthcare fails to meet the yearly process-improvement benchmarks, an additional assessment of up to \$20 million could be levied against the company. Individual states will maintain the authority to investigate consumer and provider complaints, but will forego traditional market examinations.

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